Building Community Capacity in Iowa
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Institutional Bias. There is broad consensus that Iowa is more reliant than it should be on institutional services. The 2005 IowaCare Act (HF 841) called for expanding home and community based services (HCBS), and Iowa Code contains the Legislature's vision for a service system that supports people's life and work in the community. The U.S. Supreme Court's *Olmstead* decision reinforced the drive to find alternatives to restrictive settings. Just last Friday, Director Krogmeier prioritized the development of community options when addressing the Olmstead Consumer Taskforce.

Substantial Progress. The number of people eligible for an institutional level of care but who are served by Iowa's HCBS Waivers has risen sharply from 18,060 in 2005 to over 25,000 in 2009. National studies have demonstrated the cost-effectiveness of waiver services. Iowa is in the process of rebalancing its service system, increasing its Waiver expenditures at a faster rate (16.8%) than the national average for States (9.6%).

Much Work Remains. According to a report by Thomson Reuters (12/1/09), Iowa ranks 28th among States in the percentage of long term care funds spent on HCBS (39.7%). One example--Of about 12,700 people with intellectual disabilities receiving Medicaid-funded services last year, 2,100 (about 17%) were in ICFs/MR and the rest were served by the ID Waiver; however, the annual cost of both programs is about the same ($284 million compared to $305 million). And costs keep going up; we rank fourth in the U.S. in per capita cost of ICF/MR services.

Challenges in Building Community Living Options: Where Are the Gaps?
The implementation of Iowa's CMS-funded Money Follows the Person (MFP) grant--which transitions individuals living in ICFs/MR who choose a more integrated community setting--has been, in effect, an on-going assessment of the need to build community capacity. MFP teaches us that in addition to budgeting for services, we also need to direct resources to system infrastructure. For example:

- Flexible, individualized, coordinated service planning based on functional assessment—not fitting people into pre-determined service packages.
- Emergency mental health and behavioral supports—community based, not the ER!
- Affordable, accessible housing, such as Iowa's HCBS Waiver Rent Subsidy program
- Transportation to medical and dental services, to work and to reduce isolation.
- A focus on competitive employment, not sheltered workshops.
- A stable, well trained workforce, including professionals and direct service workers.

What Iowa is doing: some examples. DHS is planning a pilot project using a promising assessment tool to develop individualized service plans and is leveraging resources to build capacity in mental health crisis services. Real Choices grant funding is supporting development of a transportation brokerage system, and now makes the College of Direct Support's web based curriculum available to providers and their staff across Iowa who are interested in supporting individuals transitioning to the community through MFP. DHS has used resources from its Medicaid Infrastructure Grant to join the State

Employment Leadership Network to work toward making competitive employment the first option in supporting people with disabilities.

Financing Change. Some new spending will be required to build community capacity (e.g. expanding the state funded HCBS Waiver Rent Subsidy program that can be used to temporarily support individuals transitioning from higher cost institutional settings while on the waiting list for a HUD voucher). But there are other funding resources, such as strategically leveraging grants to finance systemic change; the redirection of money spent on costly facility based care and sheltered workshops to community alternatives; and mobilizing local resources (as happened recently when five eastern Iowa counties found enough in-kind local match to allow Iowa DHS to apply for a second SAMHSA children's mental health system of care grant).

Legislative Support for Change. The State must own the community capacity building challenge. DHS is developing a comprehensive, integrated five year State Plan for Mental Health and Disability Services, with a robust stakeholder input process. Legislative support for that effort will be vital to its implementation. There is no question that legislative affirmation of the need for community capacity building (as happened in 2005 when HF 841 acknowledged Iowa's long term over-reliance on institutional settings) greatly improved DHS's chances of receiving both the Real Choices Systems Transformation and Money Follows the Person grants from CMS. Legislative support for redirecting existing resources from facility-based employment programs to those that promote competitive employment would facilitate that transition. Joint affirmation of the need for change by the executive and legislative branches will solidify direction, focus stakeholders, and facilitate both the leveraging of needed external resources and the redirecting of existing resources. Strategic investments of state resources targeted at the removal of barriers to building community capacity (e.g. expanding the HCBS rent subsidy) <u>will</u> yield returns down the road.